DRAFT DNCT Steering Committee Meeting Notes 10/29/981

10:00-12:30

Participants

Elise Holland, Bruce Herbold, Peter Rhoads, Pete Chadwick, Dave Fullerton, Curtis Creel, BJ Miller, Dave Briggs(phone), Peter Louie, George Barnes, Sushil Arora, Tom Cannon, Ron Ott

Agenda:

- i. Identify Scenarios.
- ii. Clarify issues to set field for clear policy decisions.

Action Items

(In text in bold.)

Highlights

- I. Developed set for scenarios from original six:
 - -1a = new A
 - -1b = new B
 - -3a = new C
 - -2a = new D
 - -2b = new E
 - -2c = now in D
- II. Alternative C (old 3A) was flushed out as an active scenario with the ecomanager capable of restricting or relaxing any standard (termed variances). All restrictions would be debited against the env acct; relaxations and any new water from facilities would either be shared 50/50, or water supply tool water used for restricting standards would be env water and water supply tools used during relaxing of variance would be ws water.
- III. Assignment to develop env triggers for relaxing and restricting given to DEFT.

Ron's Introduction

- Here to define process for generating scenarios.
- show tradeoffs
- clarify issues
- evaluation of scenarios
- Suggests returning to our six alternatives and potential showing all without narrowing to 1 or 2.
- This steering committee should develop strawmen.
- Present answers to Secretary Babbitt week on Nov 10.

Discussion:

- 1. Bruce: Dave B is looking at Water Quality tools and how they interact with Water Supply tools. Bruce is looking at how WQ tools support DEFT tools. Our goal is to match up the best combinations of the three different tool types.
- 2. Pete R agrees that we should look toward the original six and that the newer ones are too detailed. We need to keep them simple so they can be explained. Focus on key policy issues.
- 3. Elise: If we focus on the original six we will deal with all the key policy issues.
- 4. Pete R: We should replace E/I's in the scenarios with simple export restrictions.
- 5. B.J. suggested that we simply plung into the six scenarios and make them work one at a time.
- 6. Bruce: Policy issues should be listed as we go through each. The NoName list of water supply tools should be expanded for our use.

Scenario A (Old 1A)

<u>Discription</u>: set more conservative standards; set rules to relax highly protective standards; provide a lot of ESA assurance.

- Start with Accord + all AFRP
- Action: DEFT should develop stringent standards and triggers to relax them, starting with Mike T's original suggestions.
- Action: NoName should identify where water created by new actions would go.
- Group recognizes that there are infinite combinations of standards and relaxation rules.

<u>New Standards</u>: If off triggers are pulled could relax back to existing standards or further (to make up water) even to elimination of any standard.

• B.J.: Suggested giving four options to Policy for making up shortfall created by more stringent standards: (1) reduce demand; (2) purchase water; (3) add further relaxation of standards; and (4) add new water supply facilities (tools). Let Policy decide how to make up water. We can make one suggestion to show an example of how this might be accomplished.

Scenario B (Old 1B)

<u>Discription</u>: Similar to Scenario A but more sophisticated as it phases in restrictions (new standards) as new matching water supply is developed from relaxations or new water supply tools. It allows joint benefits as we learn and make more water.

- Start with Accord + all AFRP
- Action: DEFT should prioritize and scale actions (DEFT tools) under A for use in ordered fashion in B. Starting point is NoName group modeling tools.
- Action: NoName should prioritize their water supply tools for implementation in each action. Should also consider tools that may not generate substantial new water but could have biological benefit.
- We should show what new DEFT actions we can apply with each application of a

- NoName tool.
- Both sides can move up together and share flexibility developed.
- Provides more restrictive fixed standards or more variable restrictions on existing standards as env share of water supply developed is increased.
- Need to define what we would do for the environment with each increment of new env water.
- Need to add another bullet for new tools that provide more flexibility without developing additional water supply.
- Action: DEFT should define what biological benefits are needed and the water supply measures from new facilities and relaxation that would be appropriate for meeting the identified needs.
- Water supply from variances and new facilities should be shared with env water used in more restrictive standards.
- New bullet: add water supply makeup measures such as transfers, purchases, NoName actions..
- Option: all water from new sources could go to env or be shared. For this scenario however the water is shared.

Scenario C (old 3A)

Discription: Substitute a set amount of protection (days of export cutbacks - volume of export water cutback, etc) for E/I ratios.

- Accord + all AFRP E/I ratios
- 1. Dave F has a problem with designating number of days for cutbacks better to have a block of water.
- 2. **Action:** DEFT should identify the number of days cutback or amount of the block of water needed to protect a targeted resource.
- 3. Bruce suggested that we broaden this scenario to yield multiyear averaging debts or credits could occur in any single year.
- 4. Pete C: The amount of water now allocated to E/I would be changed to # of days for export restrictions at the discretion of the Eco Manager.
- 5. Bruce: this scenario avoids accounting problems. It is similar to Scenario 2, but more of a crediting scenario.
- 6. New bullet: any new water supply above where we are now would be shared.
- 7. Curtis: we don't necessarily have to substitute new "standards" for E/I ratios it could be variable relaxations and restrictions.
- 8. Bruce: priorities could be anything; not necessary to meet full AFRP; uses active Eco Manager is key feature.
- 9. Elise: It's not standards that generate new water, its flex ops generated from ecomanager decisions which put water into an env acct.
- 10. Pete C: new water supplies or relaxation put water in the env acct.
- 11. Dave F: literally this scenario follows and accounts for water not averaging over years as stated.
- 12. New Bullet: New water supply actions bring in shared water.

- 13. Elise: Suggested the following modification to new bullet: Should condition as follows: If water supply tool water is used in restricting standards, then it should be env water; if its used in relaxing its should be water supply water.
- 14. Curtis: If you want to grant a variance (like 95-6) then you exchange it for something else; would not necessarily need to be something like JPOD. Don't limit to just relaxation of E/I make it capable of relaxing all standards to gain shared water. For example if you relaxed a total of 300 TAF, then half would go to Eco Manager for env acct.
- 15. Elise: ecomanager could grant variance for any standard.
- 16. Bruce: suspicious of some of this sharing concept; but adequate for now. Concerned about 100 % of some water going to env acct or half of all new water going to water supply.
- 17. Dave F stated that this concept is close to what he presented, but with different users.

Scenario D (old 2A)

Description: Existing Standards minus in-Delta AFRP with additional standards applied dependent on new water supplies.

- Floor on exports is Accord + upstream AFRP
- Environmental water generated by Eco Manager first goes to make up in-Delta AFRP, share water thereafter.
- Environmental water managed on prioritized list by Eco Manager

Curtis suggested the following changes:

Description: Existing standards where Eco manager is allocated an annual water supply subject to available supplies.

- The process for water allocation to environment would similar to that used for the CVP/SWP.
- Environmental allocation of water will increase as water year develops, but would not decrease.
- The water supply tools being investigated by NoName would be used to implement AFRP in-Delta standards first. The in-Delta standard would not be implemented if no additional water supplies are developed. Once in-Delta AFRP water is met, split water thereafter.
- The Eco manager could also generate additional water by flexing the standards to allow higher exports part of the year in exchange for lower exports in another part.

Other suggested changes:

The Eco manager could use allocated water to do any actions.

Scenario E (old 2B)

Description: Accord plus upstream AFRP with elimination of E/I standards and mortality reduction at the pumps.

- B.J.'s memo clarifies this alternative:
 - no E/I standards
 - baseline of Accord + upstream AFRP
 - includes all new facilities (JPOD, ISDP, etc.)
 - restriction rules for each pumping plant based on salvage designed to reduce salvage 20-50% for three species (salmon, smelt, and steelhead) rules based on adult equivalents except delta smelt would be for juveniles and adults (> 50mm) (note striped bass and splittail would benefit substantially from restrictions for other species as well as Common Program).
 - Any relaxations allowing increased exports would be shared the amount to be allocated to env acct each year would be predetermined and could vary from year to year in accordance with an agreed upon formula based on conditions in that year.
 - As new water supplies facilities come online, water generated by them will be shared under the same formula described in above point.
 - If water users took additional actions that reduced salvage losses (e.g., reduced predation in CCF, or improved screening and salvage operations), then exports could be increased to match losses avoided and water shared.
 - The Ops Grp would be used to modify new protective rules if not adequate.
- 1. B.J.: This alternative develops a trial set of rules for different year types that try to significantly reduce mortality over time using trial and error to refine rules with a limit on water cost. Budget for env water. Rules would be better than E/I. Leftover water would be shared. Any new water developed would be shared with the env account portion being used for further improvements. If something doesn't work, then refine. Needs a system that provides feedback on how we are doing. Rules could vary with success in terms of improved population levels. This scenario puts both sides on the same side both benefit from relaxations and new supplies. We can play around with rules until they look good for fish and water supply.
- 2. Start with trial rules for types of years and adjust using adaptive management.
- 3. Shared water goes to 1) water required for fish triggers, 2) Water required for AFRP, and 3) water fir Ag/Urban users.
- 4. Group all runs of salmon into one category, need to split into various run types.
- 5. Bruce: This scenario is similar to others in that it only allows you to protect env to the level of water supply developed in an env account.
- 6. B.J.: left out caps and floors but likes them.
- 7. Pete C: likes caps.
- 8. Dave F: floors put risk on env. (Group agreed not to include caps and floors for now.)
- 9. Pete C: concerned that only three fish are protected.
- 10. B.J.: splittail population is not affected by salvage losses. Striped bass benefit from other species protection.
- 11. Dave F: 2C is similar to A and Dave's scenario. They have different bases but that is not important for us to decide. Bob Potter's scenario is a form of C.
- 12. Ron: Elise's scenario is a variation of A; she should ensure her concepts are represented in A.

- 13. All agreed that everyones interests are embodied in the set we have now.
- 14. **Action:** DEFT will work on biological triggers for restrictions and relaxations for each scenario this is biggest missing element of the scenarios. Different DEFT tools will be prescribed to meet the different specific objectives for triggering actions in the scenarios.
- **15. Action:** NoName will help define what of there tools would be used to meet various restrictions and relaxations.